GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:4635
ANSWERED ON:23.12.2005
DISINVESTMENT OF BALCO
Dubey Shri Chandra Shekhar

Will the Minister of MINES be pleased to state:

(a) whether Bidhanbag Unit of Bharat Aluminium Co. Ltd has totally been closed after disinvestment of BALCO by M/s Sterlite Industries after taking Control of Management;

(b) if so, the reasons therefor;

(c) if not, the details of present status of unit;

(d) the present status of the machinery and other raw material including 3000 acres of land belonging to BALCO;

(e) whether M/s Sterlite Industries has changed its name:

(f) if so, the details thereof;

(g) whether the Government has submitted the document of disinvestment of BALCO to Comptroller and Auditor General(CAG) for its concurrence; and

(h) if so, the status of the same?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYANA RAO)

(a) to (d): The production at Bidhanbag Unit of Bharat Aluminium Company Limited(BALCO) has been stopped since 2001 due to heavy loss of production of value added products, higher scrap generation, poor quality, poor sales realisation and customer rejection. The machinery and land of the Unit continues to be in possession of BALCO.

(e): No, Sir. The Sterlite Industries (India) Limited has not changed its name.

(f): Does not arise.

(g) & (h): After completion of the sale of 51% Government`s equity in BALCO, the relevant files and documents, which were requisitioned by the Audit Party, were handed over to them. The Office of Comptroller & Auditor General (C&AG) sent their draft inspection report containing preliminary audit observations for comments of the Department of Disinvestment on 4th October, 2001. The comments of the then Ministry of Disinvestment on the preliminary audit observations were forwarded to C&AG on 7th December, 2001. The Government does not submit the documents of disinvestment to C&AG for its concurrence.